

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the
Commission's Own Motion into the Rates,
Operations, Practices, Service and Facilities of
PacifiCorp (U 901-E).

FILED
PUBLIC UTILITIES
COMMISSION
XX XX, XXXX
INVESTIGATION XX-XX-XXX

ORDER INSTITUTING INVESTIGATION

PacifiCorp is a public utility electric corporation under this Commission's jurisdiction. The Commission exercises, in connection with general rate cases and other forums, its constitutionally and legislatively derived jurisdiction to regulate PacifiCorp's rates, practices, service, and the reliability, safety and adequacy of its facilities. (*See* Pub. Util. Code §§ 454 and 451.)

On November 29, 2005, PacifiCorp filed Application (A.) 05-11-022, a general rate case (GRC) proceeding, requesting an \$11.1 million rate increase in base rate revenues for Test Year 2007, an annual inflation adjustment, and a "Z-factor" adjustment for other significant cost fluctuations. PacifiCorp's requested revenue requirement includes virtually all the company's expenses for operation, maintenance, safety, and general expenses.

We commence this companion investigation to the GRC, to be consolidated and heard on a consolidated evidentiary record with A.05-11-022. This investigatory proceeding is opened to allow the Commission to hear proposals other than PacifiCorp's, and to enable the Commission to enter orders on matters for which the utility may not be the proponent. It is to afford parties, and this Commission, an opportunity and forum to provide and consider

evidence on issues of interest. These issues may result in directives to PacifiCorp that serve the public interest and result in just and reasonable rates, service and facilities. PacifiCorp is hereby placed on notice that the evidence taken in these consolidated proceedings may be the basis for findings and Commission orders. Accordingly, the Commission commences this investigation to study and determine issues surrounding PacifiCorp's revenue requirement, rates, practices, service, facilities, maintenance practices and maintenance practices.

O R D E R

IT IS ORDERED that:

1. This investigation is commenced as a companion to, and shall be consolidated with Application (A.) 05-11-022, for the purposes of taking evidence and entering orders within the jurisdiction of the Commission in connection with PacifiCorp's revenue requirement, rates, service, practices, maintenance and facilities. PacifiCorp is the respondent utility in this proceeding.
2. PacifiCorp is hereby placed on notice that the Commission, for good cause, and to advance the public interest by setting just and reasonable rates and terms for the provision of utility service, may enter orders beyond the confines of what PacifiCorp requests in companion consolidated proceeding, A.05-11-022. This proceeding is classified as ratesetting. There is a need for hearing.
3. The Executive Director shall cause a copy of this order to be served by mail on PacifiCorp.

4. This order shall be served on the service list to A.05-11-022.

This order is effective today.

Dated _____, at San Francisco, California.